also retired, since the close of 1092, after long periods of useful public service. Captain F. E. Welch, Commandant of the First Battalion, Nayar Brigade, reverted to the British service. Mr. T. R. Ratnam Aiyar, Chief Account Officer and *ex-officio* Financial Secretary to Government, proceeded on leave preparatory to retirement, in Edavam 1092, and Mr. N. Narayana Pillai, Senior Assistant Account Officer, was promoted to that post. Mr. Narayana Pillai died suddenly a few months after assuming charge and the service has lost in him an unassuming, honest and popular officer. The unexpected death of Mr. K. Kochukrishna Marar, Additional Puisne Judge of the High Court, who was only very recently appointed to that post from the High Court bar, is a heavy public loss. I have also to chronicle the sad death in action of Mr. A. W. Thomas, one of the four engineer officers of the State engaged in war duty. Mr. Thomas was a young and promising officer and his untimely death is deeply deplored.

FINANCE.

5. **Summary of transactions.**—The revenue and receipts of the State rose from Rs. 1,52,79,386 in 1091 to Rs. 1,63,43,576 in 1092 and the ordinary expenditure from Rs. 1,45,75,660 to Rs. 1,53.24,370, resulting in a surplus of Rs. 10,19,206. Including the capital outlay on the Extension of the Railway from Quilon to Trivandrum amounting to Rs. 11,93,112, the total expenditure of the year was Rs. 1,65,17,482, giving a net deficit of Rs. 1,73,906. The assets of the Government at the end of 1092 amounted to Rs. 1,26,55,608 and the liabilities to Rs. 82,72,247, leaving a closing balance of Rs. 43,83,361. The revenue for the year was the highest on record, showing an increase of Rs. 8,68,911 over that for 1089, the year immediately preceding the war. It is gratifying to note that the receipts from as many as four out of the six main sources of revenue, *viz.*, 'Forest', 'Excise', 'Customs' and 'Stamps', have reached higher figures than those in any previous year. The receipts under 'Land Revenue' would also have exhibited similar results but for the modification in the system of budget classification introduced in recent years in regard to that source of revenue. The expenditure for 1092 was also the highest on record, if the abnormal year of 1090 be left out of account. In almost all branches of administration and particularly in those intimately connected with the well-being of the people such as 'Education', the expenditure was liberal as in the preceding years.

6. The balance to the credit of the Government, which stood at Rs. 75,78,050 at the close of 1087, fell to Rs. 43,83,361 at the close of 1092 as already stated. Against this, however, it has to be noted that an outlay of Rs. 41,48,105 has been incurred during the last five years from the general revenues on the Extension of the Railway from Quilon to Trivandrum, and that, if this expenditure were not taken into calculation, the results would show a net surplus of Rs. 9,53,416—a feature by no means unsatisfactory in view of the general depression in commerce and business activities caused by the war. The present financial position of the Government may, no doubt, be taken as sound. It will, however, be necessary in future to guard against any unlimited growth of expenditure, while at the same time the need for the natural expansion of the several departments has to be borne in mind and adequately provided for, which can only be done by a further development of the resources of the State.

7. **Sinking Funds.**—You are already aware of the Sinking Fund created in 1088 to meet the capital liability of the State, amounting to Bh. Rs. 1,18,47,367, on account of the Shencottah–Quilon Railway. A sum of two lakhs of British rupees is paid from the general revenues every year to the credit of this fund for discharging the entire liability by 1944 A. D. Another Sinking Fund on a smaller scale was started in 1092 to repay the Debenture loan of Bh. Rs. 14,49,000 raised by the Government for meeting a portion of the outlay required for the Quilon–Trivandrum Extension of the Railway. A sum of Rs. 36,600 will be annually paid to this fund for a period of 25 years, at the close of which the loan will be discharged.

8. **Account Office.**—In 1085, the Darbar obtained the loan of the services of Mr. F. D. Gordon of the Indian Finance Department for examining its system

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of accounts and suggesting the necessary measures of reform. Mr. Gordon's recommendations made at the time have been generally adopted. The Darbar has now considered it desirable, after a lapse of seven years since the last inspection, to subject the whole working of the Account Department to a further examination and see whether there are any defects to be remedied. At the request of the Darbar, the Government of India have again kindly placed the services of Mr. Gordon at the disposal of the State for a period of six months for the purpose and Mr. Gordon has already arrived and entered on his duties.

MAIN HEADS OF REVENUE.

9. **Agricultural conditions.**—I regret to note that the year was, on the whole, not favourable to agriculture. The total rainfall in 1092 was 13·7 inches less, and the distribution of rain more uneven, than in the previous year. The prices of food grains and the wages of labour were also higher than in 1091.

10. **Land Revenue.**—The net revenue demand fell from Rs. 36,54, 327 in 1091 to Rs. 35,70,933 in 1092. The fall is only apparent and is mainly due to the arrangement introduced in 1092 of including only that portion of the *tharavila* or sale price of Sirkar lands brought under registry, which is actually due for collection in a particular year, in the demand for that year, in lieu of the previous practice of including the whole *tharavila*, the bulk of which as a matter of fact falls due in subsequent years. The collections under current demand amounted to nearly 99 per cent as in 1091. The disposal of *puduval* and transfer of registry cases, as also of cases under the Land Conservancy and Land Acquisition Regulations, showed marked improvement. Satisfactory progress was made in the introduction of the registers and accounts prescribed by the Land Revenue Manual in all the Divisions. With a view to regulate and methodise the inspection of village offices by Tahsildars a set of rules has been introduced in the form of inspection notes to be prepared by them at each inspection. The Supernumerary Dewan Peishkar who was appointed for the settlement of the southern boundary of the Peruvanthanam Desom and the boundary between the Manimala and Kallupara *pakuthies*, has finished his special work. The collection of cardamom tax in four instalments and the payment of the *tharavila* on cardamom lands in nine instead of six instalments were sanctioned by way of relief to the cardamom ryots of the High Range. The rules regarding the grant of lands for coffee and tea cultivation were so amended as to make it incumbent on the grantees to take care of the royal trees on such lands until their final disposal by Government. Since the close of the year, the rules regarding the lease of trees on *poramboke* lands such as public roads, canals, irrigation tanks, and field bunds have been revised so as to safeguard the rights of the ryots who under the old system had planted such trees and enjoyed their usufruct.

11. **Land and depressed classes.**—For the past few years, the question of assigning lands to members of depressed classes for habitation and cultivation has been engaging the earnest attention of Government. Under a previous Government order, about 500 acres of land in the Vilappil *pakuthi*, Neyyattinkara taluk, had been assigned free of *tharavila*, in the names of Pulayas who are members of the Sadhu Jana Paripalana Sangham. This order, which, for a variety of reasons, could not be enforced earlier, was directed to be brought into immediate effect in 1092. A further measure of wider scope and larger utility was also adopted during the year providing for the grant of unoccupied lands at the disposal of Government lying outside forest reserves to Pulayas and Parayas free of *tharavila*. The benefit of this concession is allowed to all Pulayas and Parayas who are subjects of His Highness the Maha Raja, irrespective of their religious persuasion, and the Division Peishkars and the Commissioner, Devicolam, have been specially instructed to pay prompt personal attention to the disposal of applications for lands from the members of depressed classes.

12. **Forest reservation.**—The total area of reserved forests at the end of 1092 was 2,344 square miles and 170 acres and of reserved lands 135 square miles and

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